

Acer Inc.

Q3, 2010

Investor Conference

October 29, 2010

www.acer-group.com

acer

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Consolidated Financial Results

Che-min Tu

CFO

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Consolidated Income Statement (3rd Quarter)

(R.O.C. GAAP-comparison base)

(NT\$ Million)	3Q'10		3Q'09		Change
Revenue	167,552	100%	167,617	100%	0%
Gross Profit	16,742	10.0%	16,722	10.0%	0%
Operating Expenses	11,451	6.8%	11,968	7.1%	- 4%
Operating Income	5,291	3.2%	4,754	2.8%	+ 11%
Non-Operating Income	146		(20)		
PBT	<u>5,437</u>	3.2%	<u>4,733</u>	2.8%	+15%
PAT	<u>4,299</u>	2.6%	<u>3,470</u>	2.1%	+24%
EPS	1.62		1.32		

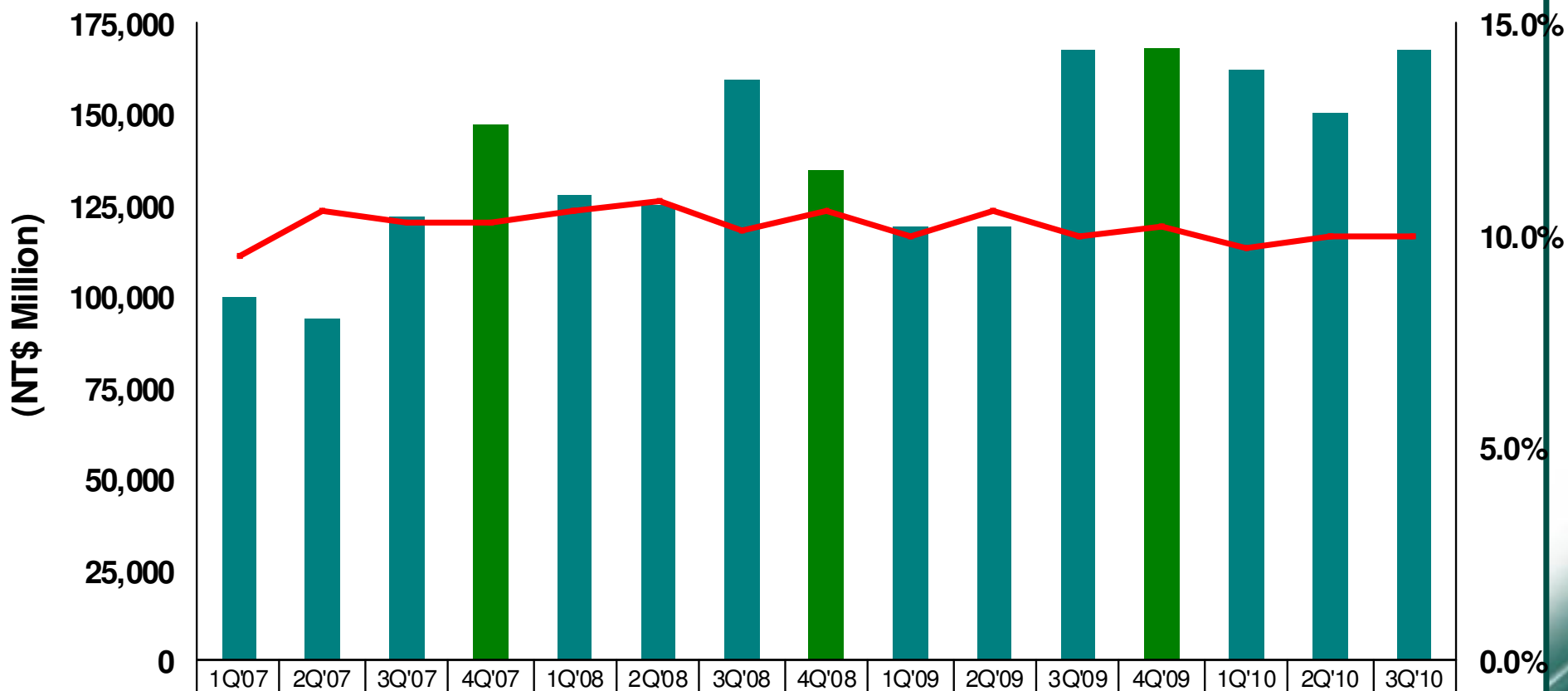
Consolidated Income Statement (Q1-Q3)

(ROC GAAP-comparison base)

(NT\$ Million)	2010 Q1-Q3		2009 Q1-Q3		Change
Revenue	479,945	100%	405,786	100%	+ 18%
Gross Profit	47,504	9.9%	41,206	10.2%	+ 15%
Operating Expenses	33,690	7.0%	30,838	7.6%	+ 9%
Operating Income	13,815	2.9%	10,367	2.6%	+ 33%
Non-Operating Income	255	0.1%	(52)		
PBT	14,070	2.9%	10,315	2.5%	+ 36%
PAT	11,219	2.3%	7,836	1.9%	+ 43%
EPS	4.24		2.98		

Consolidated Revenue and Gross Margin

3Q, 2010 Revenue Growth: 0% Y/Y

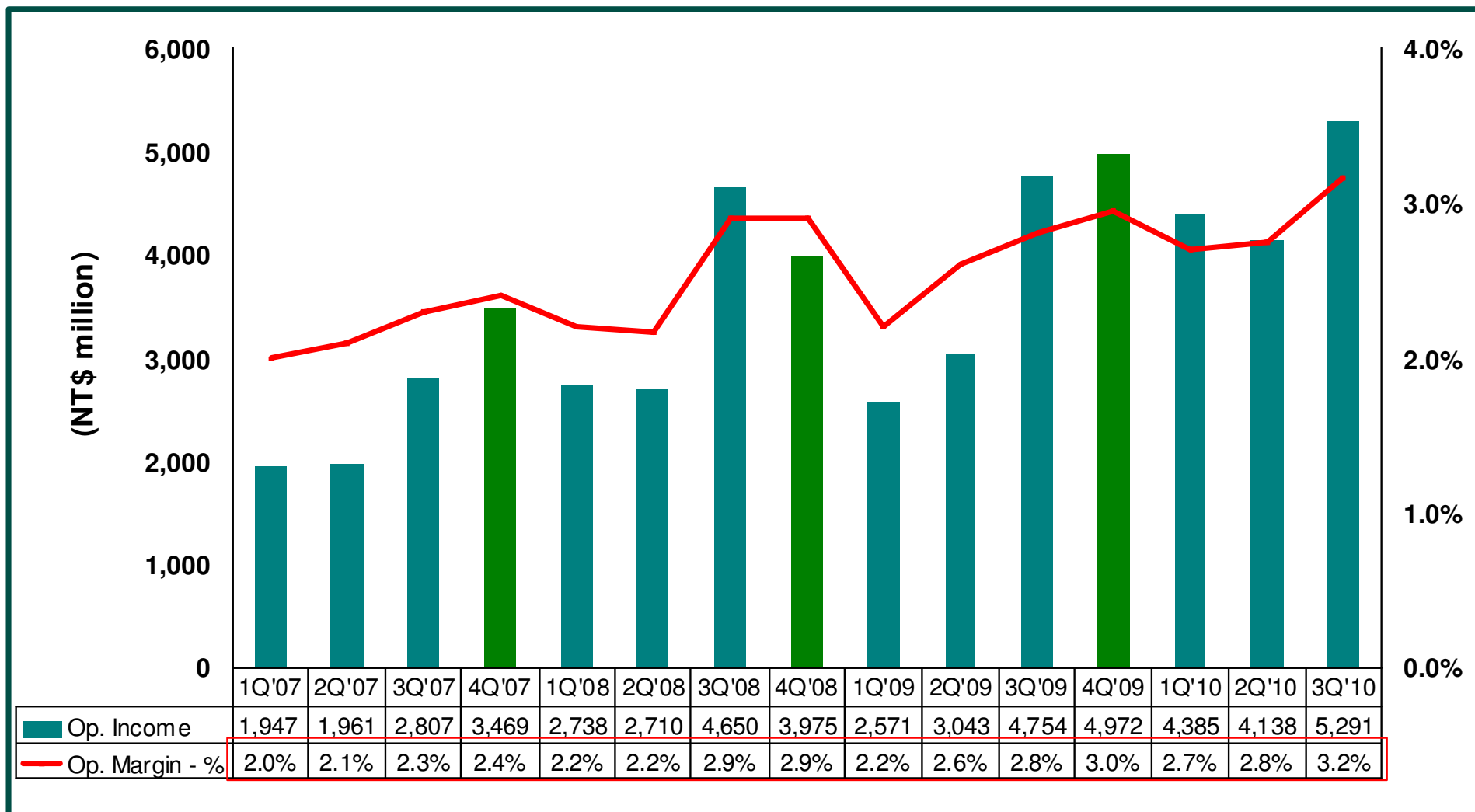


	1Q'07	2Q'07	3Q'07	4Q'07	1Q'08	2Q'08	3Q'08	4Q'08	1Q'09	2Q'09	3Q'09	4Q'09	1Q'10	2Q'10	3Q'10
Revenue	99,513	93,520	121,934	147,099	127,376	124,791	159,163	134,944	119,086	119,083	167,617	168,197	162,130	150,262	167,552
Gross Margin	9.5%	10.6%	10.3%	10.3%	10.6%	10.8%	10.1%	10.6%	10.0%	10.6%	10.0%	10.2%	9.7%	10.0%	10.0%
Revenue Growth	20%	28%	29%	24%	28%	33%	31%	-8%	-7%	-5%	5%	25%	36%	26%	0%

Note: The figures include Gateway since 4Q'07, Packard Bell since 1Q '08 and E-ten since 3Q'08



Consolidated Operating Income



Note: (a) The figures include Gateway since 4Q'07, Packard Bell since 1Q '08, and E-ten since 3Q'08

(b) The figures have expensed employee bonuses and board of directors' remuneration since 2008.



Consolidated Balance Sheet (Y/Y Comparison)

(NT\$ Million)	Sept. 30, 2010		Sept. 30, 2009	
Current Assets				
Cash and cash equivalence	33,521	11%	41,559	14%
Notes & Account receivable	148,615	47%	127,813	42%
Financial Assets-Current	698	0%	1,044	0%
Inventory	57,000	18%	52,642	17%
Others	15,803	5%	19,508	6%
Total Current Assets	255,638	82%	242,566	80%
Long-term Investment	8,031	3%	9,099	3%
Property, plant and equipment	11,190	4%	12,189	4%
Intangible asset	33,919	11%	36,197	12%
Others	4,274	1%	6,081	1%
Total Asset	313,051	100%	303,153	100%
Short-term borrowings	5,574	2%	1,144	0%
Account payable	104,916	34%	108,334	36%
Other current liabilities	78,046	25%	83,611	28%
Current Liabilities	188,537	60%	193,089	64%
Long-term Debt	23,311	7%	12,378	4%
Total Liabilities	219,141	70%	212,984	70%
Total Shareholders' Equity	93,910	30%	90,169	30%

Consolidated Balance Sheet (Q/Q Comparison)

(NT\$ Million)	Sept. 30, 2010		June 30, 2010	
Current Assets				
Cash and cash equivalence	33,521	11%	25,315	9%
Notes & Account receivable	148,615	47%	122,058	44%
Financial Assets-Current	698	0%	1,500	0%
Inventory	57,000	18%	60,402	22%
Others	15,803	5%	14,270	5%
Total Current Assets	255,638	82%	223,545	80%
Long-term Investment	8,031	3%	7,886	3%
Property, plant and equipment	11,190	4%	11,144	4%
Intangible asset	33,919	11%	34,596	12%
Others	4,274	1%	2,723	1%
Total Asset	<u>313,051</u>	100%	<u>279,894</u>	100%
Short-term borrowings	5,574	2%	7,458	3%
Account payable	104,916	34%	90,761	32%
Other current liabilities	78,046	25%	78,098	28%
Current Liabilities	188,537	60%	176,317	63%
Long-term Debt	23,311	7%	9,301	3%
Total Liabilities	<u>219,141</u>	70%	<u>191,077</u>	68%
Total Shareholders' Equity	93,910	30%	88,816	32%

Business Review

Gianfranco Lanci

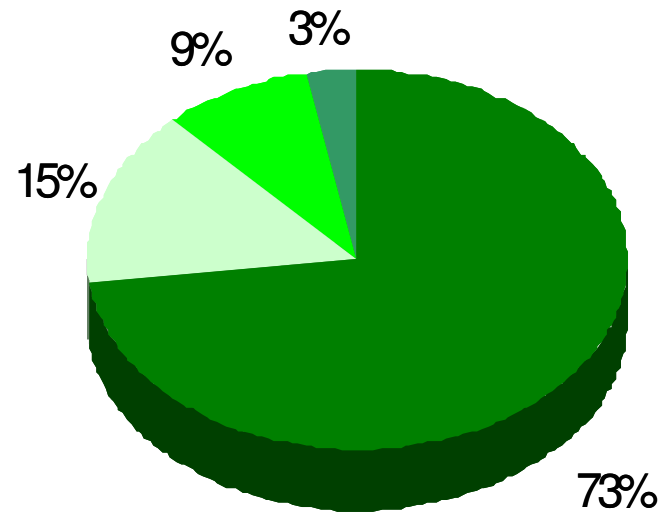
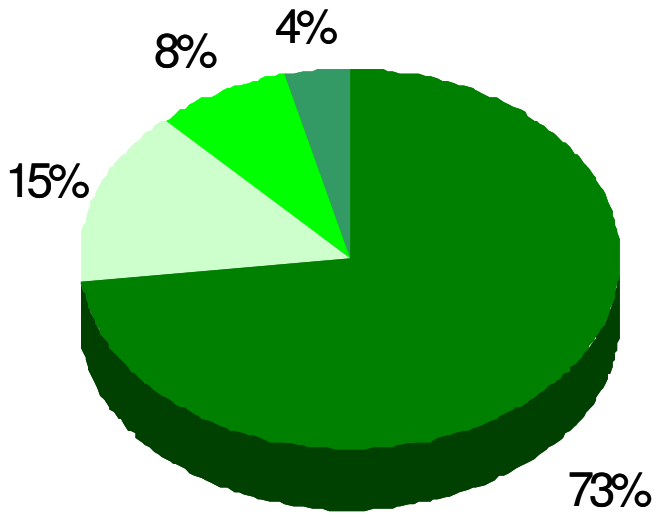
Acer Inc. CEO & President

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Revenue by Products

Q3, 2010
US\$5,113M

Q3, 2009
US\$4,968M



■ Notebook ■ Desktop PC
■ Display ■ Others

■ Notebook ■ Desktop PC
■ Display ■ Others

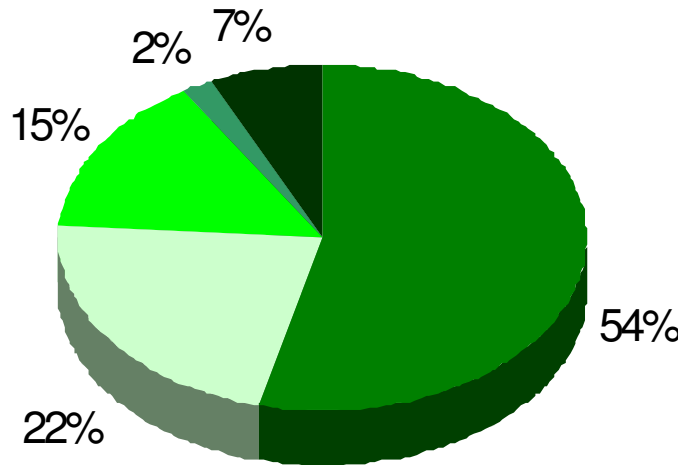
Note: Others include servers, projector and IA products



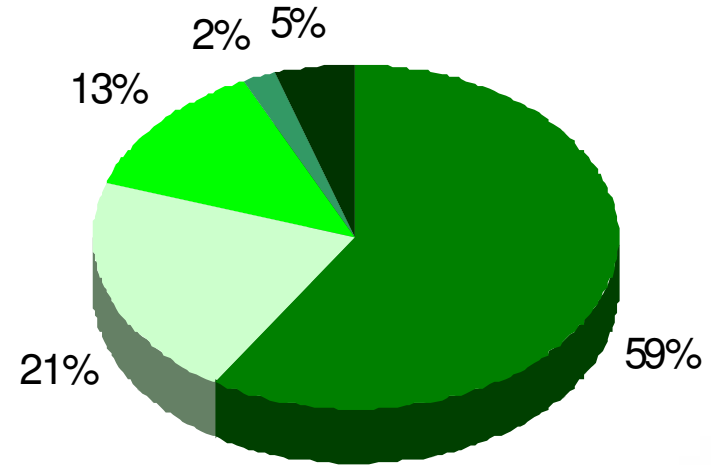
Revenue by Regions

Q3, 2010
US\$5,113M

Q3, 2009
US\$4,968M



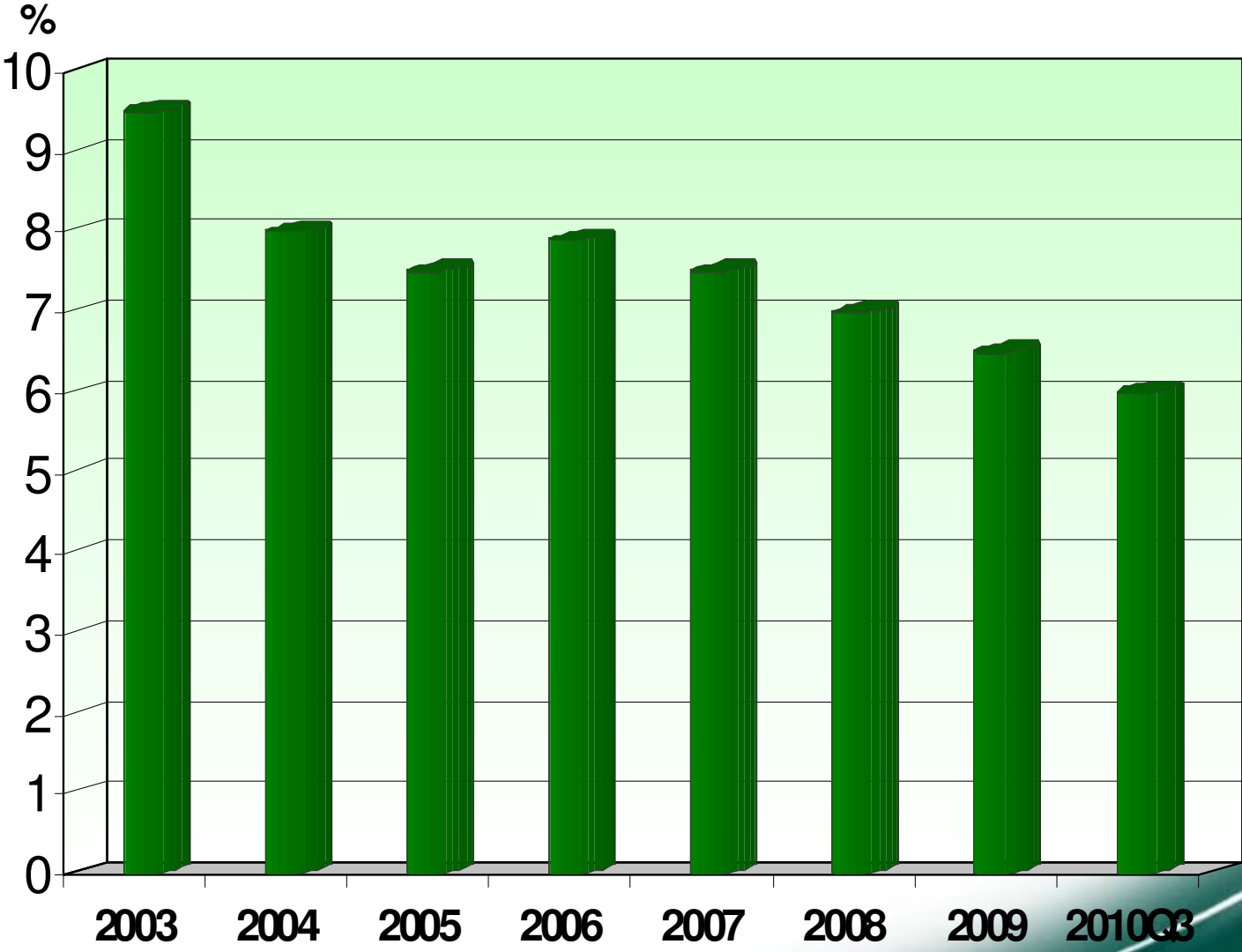
- EMEA
- Asia Pacific
- China
- Pan America
- Taiwan



- EMEA
- Asia Pacific
- China
- Pan America
- Taiwan

Note: (a) Asia Pacific excluding Greater China (Taiwan, HK, and Mainland China)
(b) EMEA stands for Europe, Middle East and Africa

Operating Cost as % of Revenue



Acer Strategy and Action

J.T. Wang

Chairman & Acer Group CEO

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Acer Strategy

Open system

Hardware as main business

Multi-platforms

Acer strategic action

Efforts on software and services to enhance Acer brand value.

Acer clear.fi

A software we are going to build-in all Acer new consumer products with processing capability from Q1 2011.

Acer clear.fi

Manage your digital content over multiple devices.

Allows Blu-ray-quality data streaming among different devices.

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Q & A

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